Introduced by Committee on Health (Senators Ortiz (Chair), Aanestad, Alquist, Chesbro, Cox, Figueroa, Kuehl, Maldonado, and Runner)

March 23, 2006

An act to amend Sections 128135, 128200, 128737, 128765, 128770, and 128775 of, to amend the heading of Chapter 4 (commencing with Section 128200) of, to amend the heading of Article 1 (commencing with Section 128200) of Chapter 4 of, Part 3 of Division 107 of the Health and Safety Code, relating to health care.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1850, as introduced, Committee on Health. Health care: training: reporting.

Existing law, the Song-Brown Family Physician Training Act, provides for specified training programs for certain health care workers, including family physicians, nurses, nurse practitioners, and physician's assistants.

This bill would change the name of this act to the Song-Brown Health Care Workforce Training Act.

Existing law, the Health Data and Advisory Council Consolidation Act (HDACCA), requires certain types of health care facilities to report specified information to the Office of Statewide Health Planning and Development. Existing law requires each hospital and freestanding ambulatory surgery clinic to file with the office an ambulatory surgery data record, containing specified information, for each patient encounter during which at least one ambulatory surgery procedure is performed.

This bill would expressly provide that the types of hospitals that are subject to this requirement are general acute care hospitals.

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Existing law requires that all reports filed under the HDACCA be posted on the office's Internet Web site, and to be produced and made available for inspection upon the demand of any person, with the exception of hospital discharge abstract data if the office determines that an individual patient's rights of confidentiality would be violated.

This bill would change this exception to specifically concern patient level hospital discharge abstract data collected pursuant to specified provisions of law.

Existing law requires the reports filed under the HDACCA to include certain elements, and to be disseminated as widely as practical to interested parties.

This bill would apply these requirements only to risk-adjusted outcome reports published pursuant to specified provisions of law.

Existing law requires the office, for the purpose of public disclosure, to compile and publish summaries of the data that is required to be disclosed under the HDACCA.

This bill would instead require the compilation and publication of summaries of individual facility and aggregate data required to be disclosed under the HDACCA, and would require that the summaries be posted on the office's Internet Web site.

Existing law requires the office to continue the publication of aggregate industry and individual health facility cost and operational data published by the California Health Facilities Commission under specified provisions of law, and to submit the publication to the Legislature no later than March 1 of each year.

This bill would eliminate that requirement.

Existing law provides that any health facility that does not file with the office any report required by the HDACCA is liable for a civil penalty, except as specified.

This bill would also apply this provision, in addition, to a freestanding ambulatory surgery clinic.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 128135 of the Health and Safety Code
- 2 is amended to read:
- 3 128135. The office may designate experimental health
- 4 manpower workforce projects as approved projects where the

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projects are sponsored by community hospitals or clinics, nonprofit educational institutions, or government agencies engaged in health or education activities. Nothing in this section shall preclude approved projects from utilizing the offices of physicians, dentists, pharmacists, and other clinical settings as training sites.

SEC. 2. The heading of Chapter 4 (commencing with Section 128200) of Part 3 of Division 107 of the Health and Safety Code, as added by Section 360 of Chapter 1023 of the Statutes of 1996, is amended to read:

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## Chapter 4. Family Physician Health Care Workforce Training Programs

 SEC. 3. The heading of Article 1 (commencing with Section 128200) of Chapter 4 of Part 3 of Division 107 of the Health and Safety Code, as added by Section 360 of Chapter 1023 of the Statutes of 1996, is amended to read:

## Article 1. Song-Brown-Family Physician Health Care Workforce Training Act

- SEC. 4. Section 128200 of the Health and Safety Code is amended to read:
- 128200. (a) This article shall be known and may be cited as the Song-Brown—Family Physician Health Care Workforce Training Act.
- (b) The Legislature hereby finds and declares that physicians engaged in family practice are in very short supply in California. The current emphasis placed on specialization in medical education has resulted in a shortage of physicians trained to provide comprehensive primary health care to families. The Legislature hereby declares that it regards the furtherance of a greater supply of competent family physicians to be a public purpose of great importance and further declares the establishment of the program pursuant to this article to be a desirable, necessary and economical method of increasing the number of family physicians to provide needed medical services to the people of California. The Legislature further declares that it is to the benefit of the state to assist in increasing the number

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of competent family physicians graduated by colleges and universities of this state to provide primary health care services to families within the state.

The Legislature finds that the shortage of family physicians can be improved by the placing of a higher priority by public and private medical schools, hospitals, and other health care delivery systems in this state, on the recruitment and improved training of medical students and residents to meet the need for family physicians. To help accomplish this goal, each medical school in California is encouraged to organize a strong family practice program or department. It is the intent of the Legislature that the programs or departments be headed by a physician who possesses specialty certification in the field of family practice, and has broad clinical experience in the field of family practice.

The Legislature further finds that encouraging the training of primary care physician's assistants and primary care nurse practitioners will assist in making primary health care services more accessible to the citizenry, and will, in conjunction with the training of family physicians, lead to an improved health care delivery system in California.

Community hospitals in general and rural community hospitals in particular, as well as other health care delivery systems, are encouraged to develop family practice residencies in affiliation or association with accredited medical schools, to help meet the need for family physicians in geographical areas of the state with recognized family primary health care needs. Utilization of expanded resources beyond university-based teaching hospitals should be emphasized, including facilities in rural areas wherever possible.

The Legislature also finds and declares that nurses are in very short supply in California. The Legislature hereby declares that it regards the furtherance of a greater supply of nurses to be a public purpose of great importance and further declares the expansion of the program pursuant to this article to include nurses to be a desirable, necessary, and economical method of increasing the number of nurses to provide needed nursing services to the people of California.

It is the intent of the Legislature to provide for a program designed primarily to increase the number of students and residents receiving quality education and training in the specialty \_5\_ SB 1850

- 1 of family practice and as primary care physician's assistants,
- 2 primary care nurse practitioners, and registered nurses and to
- 3 maximize the delivery of primary care family physician services
- 4 to specific areas of California where there is a recognized unmet
- 5 priority need. This program is intended to be implemented
- 6 through contracts with accredited medical schools, programs that
- 7 train primary care physician's assistants, programs that train
- 8 primary care nurse practitioners, programs that train registered
- 9 nurses, hospitals, and other health care delivery systems based on
- 10 per-student or per-resident capitation formulas. It is further
- 11 intended by the Legislature that the programs will be
- 12 professionally and administratively accountable so that the
- maximum cost-effectiveness will be achieved in meeting the
- 14 professional training standards and criteria set forth in this article
- and Article 2 (commencing with Section 128250).
  - SEC. 5. Section 128737 of the Health and Safety Code is amended to read:
- 18 128737. (a) Each *general acute care* hospital and 19 freestanding ambulatory surgery clinic shall file an Ambulatory
- 20 Surgery Data Record for each patient encounter during which at
- 21 least one ambulatory surgery procedure is performed. The
- 22 Ambulatory Surgery Data Record shall include all of the
- 23 following:

- 24 (1) Date of birth.
- 25 (2) Sex.
- 26 (3) Race.
- 27 (4) Ethnicity.
- 28 (5) Principal language spoken.
- 29 (6) ZIP Code.
- 30 (7) Patient social security number, if it is contained in the
- patient's medical record.(8) Service date.
- 33 (9) Principal diagnosis.
- 34 (10) Other diagnoses.
- 35 (11) Principal procedure.
- 36 (12) Other procedures.
- 37 (13) Principal external cause of injury, if known.
- 38 (14) Other external cause of injury, if known.
- 39 (15) Disposition of patient.
- 40 (16) Expected source of payment.

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(17) Elements added pursuant to Section 128738.

- (b) It is the expressed intent of the Legislature that the patient's rights of confidentiality shall not be violated in any manner. Patient social security numbers and any other data elements that the office believes could be used to determine the identity of an individual patient shall be exempt from the disclosure requirements of the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).
- (c) No person reporting data pursuant to this section shall be liable for damages in any action based on the use or misuse of patient-identifiable data that has been mailed or otherwise transmitted to the office pursuant to the requirements of subdivision (a).
- (d) Data reporting requirements established by the office shall be consistent with national standards as applicable.
  - (e) This section shall become operative on January 1, 2004.
- SEC. 6. Section 128765 of the Health and Safety Code is amended to read:
- 128765. (a) The office, with the advice of the commission, shall maintain a file of all the reports filed under this chapter at its Sacramento office. The office shall also post all reports on its Web site. Subject to any rules the office, with the advice of the commission, may prescribe, these reports shall be produced and made available for inspection upon the demand of any person, and shall also be posted on its Web site, with the exception of patient level hospital discharge abstract data that shall be available for public inspection unless the office determines that an individual patient's rights of confidentiality would be violated.
- (b) The reports filed under this chapter published pursuant to Section 128745 shall include an executive summary, written in plain English to the maximum extent practicable, that shall include, but not be limited to, a discussion of findings, conclusions, and trends concerning the overall quality of medical outcomes, including a comparison to reports from prior years, for the procedure or condition studied by the report. The office shall disseminate the reports as widely as practical to interested parties, including, but not limited to, hospitals, providers, the media, purchasers of health care, consumer or patient advocacy

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groups, and individual consumers. The reports shall be posted on the office's Internet Web site.

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- (c) Copies certified by the office as being true and correct, copies of reports properly filed with the office pursuant to this together with summaries, compilations, supplementary reports prepared by the office, shall be introduced as evidence, where relevant, at any hearing, investigation, or other proceeding held, made, or taken by any state, county, or local governmental agency, board, or commission that participates as a purchaser of health facility services pursuant to the provisions of a publicly financed state or federal health care program. Each of these state, county, or local governmental agencies, boards, and commissions shall weigh and consider the reports made available to it pursuant to the provisions of this subdivision in its formulation and implementation of policies, regulations, or procedures regarding reimbursement methods and rates in the administration of these publicly financed programs.
- (d) The office, with the advice of the commission, shall compile and publish summaries of—the individual facility and aggregate data for the purpose of public disclosure. The summaries shall be posted on the office's Internet Web site. The commission shall approve the policies and procedures relative to the manner of data disclosure to the public. The office, with the advice of the commission, may initiate and conduct studies as it determines will advance the purposes of this chapter.
- (e) In order to assure that accurate and timely data are available to the public in useful formats, the office shall establish a public liaison function. The public liaison shall provide technical assistance to the general public on the uses and applications of individual and aggregate health facility data and shall provide the director and the commission with an annual report on changes that can be made to improve the public's access to data.
- (f) In addition to its public liaison function, the office shall continue the publication of aggregate industry and individual health facility cost and operational data published by the California Health Facilities Commission as described in subdivision (b) of Section 441.95, as that section existed on December 31, 1985. This publication shall be submitted to the Legislature not later than March 1 of each year commencing with

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calendar year 1986 and in addition shall be offered for sale as a public document.

- SEC. 7. Section 128770 of the Health and Safety Code is amended to read:
- 128770. (a) Any health facility or freestanding ambulatory surgery clinic that does not file any report as required by this chapter with the office is liable for a civil penalty of one hundred dollars (\$100) a day for each day the filing of any report is delayed. No penalty shall be imposed if an extension is granted in accordance with the guidelines and procedures established by the office, with the advice of the commission.
- (b) Any health facility that does not use an approved system of accounting pursuant to the provisions of this chapter for purposes of submitting financial and statistical reports as required by this chapter shall be liable for a civil penalty of not more than five thousand dollars (\$5,000).
- (c) Civil penalties are to be assessed and recovered in a civil action brought in the name of the people of the State of California by the office. Assessment of a civil penalty may, at the request of any health facility *or freestanding ambulatory surgery clinic*, be reviewed on appeal, and the penalty may be reduced or waived for good cause.
- (d) Any money that is received by the office pursuant to this section shall be paid into the General Fund.
- SEC. 8. Section 128775 of the Health and Safety Code is amended to read:
- 128775. (a) Any health facility or freestanding ambulatory surgery clinic affected by any determination made under this part by the office may petition the office for review of the decision. This petition shall be filed with the office within 15 business days, or within a greater time as the office, with the advice of the commission, may allow, and shall specifically describe the matters which are disputed by the petitioner.
- (b) A hearing shall be commenced within 60 calendar days of the date on which the petition was filed. The hearing shall be held before an employee of the office, an administrative law judge employed by the Office of Administrative Hearings, or a committee of the commission chosen by the chairperson for this purpose. If held before an employee of the office or a committee of the commission, the hearing shall be held in accordance with

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any procedures as the office, with the advice of the commission, shall prescribe. If held before an administrative law judge employed by the Office of Administrative Hearings, the hearing shall be held in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. The employee, administrative law judge, or committee shall prepare a recommended decision including findings of fact and conclusions of law and present it to the office for its adoption. The decision of the office shall be in writing and shall be final. The decision of the office shall be made within 60 calendar days after the conclusion of the hearing and shall be effective upon filing and service upon the petitioner.

(c) Judicial review of any final action, determination, or decision may be had by any party to the proceedings as provided in Section 1094.5 of the Code of Civil Procedure. The decision of the office shall be upheld against a claim that its findings are not supported by the evidence unless the court determines that the findings are not supported by substantial evidence.

- (d) The employee of the office, the administrative law judge employed by the Office of Administrative Hearings, the Office of Administrative Hearings, or the committee of the commission, may issue subpoenas and subpoenas duces tecum in a manner and subject to the conditions established by Article 11 (commencing with Section 11450.10) of Chapter 4.5 of Part 1 of Division 3 of Title 2 of the Government Code.
- (e) This section shall become operative on July 1, 1997.